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STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of *Hearings Unit, DIC*
Patricia D. Petersen
Garry R. Brown, *Chief Hearing Officer*

Licensee.

No. D 04 - 224

ORDER REVOKING LICENSE

DECLARATION OF MAILING

I certify under penalty of perjury
Under the laws of the State of
Washington that on the date listed
below, I mailed or caused delivery
of a true copy of this document to

DATED this 7th day of Oct. 2004
At Tumwater, Washington

Kristina Meyer

To: Garry R. Brown
PO Box 211
Oak Harbor, WA 98277

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your license is **REVOKED**, effective October 27, 2004, pursuant to RCW 48.17.530 and 48.17.540(2).

THIS ORDER IS BASED ON THE FOLLOWING:

1. A complaint was filed with the Office of the Insurance Commissioner (OIC) against Garry R. Brown (licensee) by one of his clients, Nadya Flynn (Flynn). As a part of his investigation, Examiner Ken Combs (Combs) from the Office of the Insurance Commissioner (OIC) conducted a field audit of the licensee's records. During the audit Combs confirmed that on or about May 1, 2002 Flynn's insurance policy, issued through American States Insurance Company, had been non-renewed. The licensee was aware of the non-renewal, but during the period from June 12, 2002 through March 22, 2004 the licensee continued to issue Certificates of Liability Insurance covering Flynn in the name of American States. These certificates, a minimum of twelve, were issued to various city and county governments, assuring them that Flynn had liability insurance covering her business liability exposure through American States Insurance Company. American States was not made aware of the certificates being issued until the complaint was filed with OIC on or about May 12, 2004.

a.) By engaging in unfair or deceptive acts or practices in the conduct of business the licensee violated RCW 48.30.010 (1).

b.) By making, publishing, and disseminating false, deceptive and misleading representations in the conduct of the business of insurance, the licensee violated RCW 48.30.040.

c.) By making, issuing and circulating misrepresentations of the terms of the insurance policy, the licensee violated RCW 48.30.090.

2. Combs' audit discovered four premium payments made by the licensee, totaling \$874.00, for policyholder Sean Byrne's insurance coverage. The payments were made with the licensee's money and not with the policyholder's money. By making the premium payments on behalf of the policyholder, the licensee violated RCW 48.30.140.

3. During a previous investigation by OIC, case #97-0182, the licensee was advised to license or list Safe Harbor Agency as a DBA. The licensee has continued to use the name Safe Harbor Agency in the sale of insurance without the name being licensed or registered. By making, publishing, and disseminating false, deceptive and misleading advertising in the conduct of the business of insurance, the licensee has violated RCW 48.30.040.

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By reason of your conduct, and your violations of RCW 48.30.030(1), 48.30.040, 48.30.090, and 48.30.140 you have shown yourself to be and are so deemed by the Commissioner, untrustworthy and a source of injury and loss to the public and not qualified to be an insurance agent in the State of Washington. Accordingly, your license is revoked pursuant to RCW 48.17.530 (1) (b), (e), and (h).

IT IS FURTHER ORDERED that you return your insurance agent's license certificate to the Commissioner on or before the effective date of the revocation of your license, as required by RCW 48.17.530(4).

NOTICE CONCERNING YOUR RIGHT TO A HEARING. Please note that a detailed summary of your right to contest this Order is attached. Briefly, if you are aggrieved by this Order, RCW 48.04.010 permits you to demand a hearing. Pursuant to that statute and others: You must demand a hearing, in writing, within 90 days after the date of this Order, which is the day it was mailed to you, or you will waive your right to a hearing. Your demand for a hearing must specify briefly the reasons why you think this Order should be changed. If your demand for a hearing is received by the Commissioner before the effective date of the revocation, then the revocation will be stayed (postponed) pending the hearing, pursuant to RCW 48.04.020. Upon receipt of your demand for hearing, you will be contacted by an assistant of the Chief Hearing Officer to schedule a teleconference with you and the Insurance Commissioner's Office to discuss the hearing and the procedures to be followed.

Please send any demand for hearing to Insurance Commissioner, attention Scott Jarvis, Deputy Insurance Commissioner, Office of the Insurance Commissioner, P.O. Box 40257, Olympia, WA 98504-0257.

ENTERED AT TUMWATER, WASHINGTON, this 7th day of October, 2004.

MIKE KREIDLER
Insurance Commissioner

By



SCOTT JARVIS
Deputy Commissioner

Examiner: Ken Combs

NOTICE OF YOUR RIGHT TO A HEARING

You have the right to demand a hearing to contest this Order. During this hearing, you can present your argument that the Order should not have been entered for legal and/or factual reasons and/or to explain the circumstances surrounding the activities which are the subject of this Order. You may be represented by an attorney if you wish, although in some hearings before this agency parties do choose to represent themselves without an attorney.

Your Demand for Hearing should be sent to Scott Jarvis, Deputy Insurance Commissioner, Office of the Insurance Commissioner, P.O. Box 40257, Olympia, WA 98504-0257, and must briefly state how you are harmed by this Order and why you disagree with it. You will then be notified both by telephone and in writing of the time and place of your hearing. If you have questions concerning filing a Demand for Hearing or the hearing process, please telephone the Hearings Unit, Office of the Insurance Commissioner, at 360/725-7002.

Your Demand for Hearing must be made within 90 days after the date of this Order, which is the date of mailing, or your Demand will be invalid and this Order will stand. If your Demand for Hearing is received before the effective date of this Order, the penalties contained in the Order will be stayed (postponed) until after your hearing.

It is important to know that if you demand a hearing, you will have two options for how it will be handled:

Option 1: Unless you specifically request Option 2, your hearing will be presided over by an administrative law judge from the Office of the Insurance Commissioner. Under this option, upon receipt of your Demand for Hearing, the Insurance Commissioner may refer the case to an administrative law judge. The administrative law judge is an individual who has not had any involvement with this case. The administrative law judge will hear and make the final decision in the case without any communication, input or review by the Insurance Commissioner or staff or any other individual who has knowledge of the case. This administrative law judge's final decision may uphold or reverse the Commissioner's action or may instead impose any penalties which are less than those contained in the Order.

Option 2: If you elect, your hearing will be presided over by an administrative law judge from the Office of Administrative Hearings. That administrative law judge will issue an initial or recommended decision which will then be sent to the Insurance Commissioner. The Insurance Commissioner, or his designee, will review the initial decision and make the final decision. The Insurance Commissioner's final decision in the case may uphold, reverse or modify the initial decision, thereby changing the penalty which is recommended in the initial decision. In writing the final decision, the Insurance Commissioner is not bound by the findings of facts or conclusions of law which were made in the initial decision.